



General Assembly

February Session, 2010

Raised Bill No. 5203

LCO No. 974

00974_____LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

***AN ACT CONCERNING STATE SERVICE RETIREMENT CREDIT AND
TEACHERS' RETIREMENT CREDIT.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 10-183ff of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 (a) Should any change or error in records result in any member or
4 beneficiary receiving from the teachers' retirement system more or less
5 than he would have been entitled to receive had the records been
6 correct, then upon discovery of any such error the Teachers'
7 Retirement Board shall notify the member or beneficiary affected and
8 correct the same, and as far as practicable shall adjust the payments in
9 such manner that the actuarial equivalent of the benefit to which such
10 member or beneficiary was correctly entitled shall be paid, provided if
11 such change or error results in any member or beneficiary receiving
12 less than he would have been eligible to receive, such member or
13 beneficiary may elect to have such benefit paid in a single payment.

14 (b) If a member or beneficiary has been overpaid through no fault of
15 his own, and he could not reasonably have been expected to detect the

16 error, the board may waive any repayment which it believes would
17 cause hardship.

18 (c) Upon determination by the Teachers' Retirement Board that any
19 person has erroneously been included in membership in the teachers'
20 retirement system, contributions and interest credited under the
21 provisions of this chapter shall be refunded and records of related
22 service voided.

23 (d) Upon determination that the Teachers' Retirement Board has
24 invoiced a member for the purchase of additional credited service in
25 an amount in excess of that permitted by law, and such member has
26 paid the invoiced amount, the amount of the overpayment shall be
27 refunded to such member with interest at a rate equal to the average of
28 interest rates for the most recent ten-year period from the date of the
29 member's retirement to the date such amount is refunded.

30 (e) Upon determination that a member has not purchased additional
31 credited service which was invoiced to him in an amount in excess of
32 that permitted by law, such member shall be given the opportunity at
33 any time to make such purchase by the payment of the proper amount
34 with interest to the date of payment. The additional benefit resulting
35 from the credited service so purchased shall be made retroactive to the
36 date of the member's retirement, and the aggregate amount of such
37 additional benefit shall be paid to the member in a single payment
38 together with interest calculated at a rate equal to the average of
39 interest rates for the most recent ten-year period from the date each
40 payment was due to the date such payment is made.

41 (f) Upon determination by the Teachers' Retirement Board that a
42 member received an estimate of benefits statement from the board that
43 contained a material error, the board shall either (1) pay such member
44 the benefits set forth in such estimate, or (2) allow the member to
45 return to such member's previous employment position, if the board
46 determines that such member, in reliance upon such material error,
47 irrevocably submitted (A) his or her resignation to the employing

48 board of education, and (B) a formal application of retirement, as
49 defined in section 1-183b, to the Teachers' Retirement Board. For
50 purposes of this subsection, "material error" means an error that
51 amounts to a difference of ten per cent or greater between a member's
52 estimated retirement benefits and the actual retirement benefits to
53 which such member is entitled.

54 Sec. 2. (*Effective October 1, 2010*) Any member who retired between
55 July 1, 2008, and July 1, 2009, inclusive, after receiving an estimate of
56 benefits statement from the Teachers' Retirement Board that contained
57 a material error, as defined in subsection (f) of section 10-183ff of the
58 general statutes, as amended by this act, shall be paid by the board the
59 benefits set forth in such estimate if the board determines that such
60 member, in reliance upon such material error, retired from the
61 employing board of education.

62 Sec. 3. Section 5-156c of the general statutes is repealed and the
63 following is substituted in lieu thereof (*Effective October 1, 2010*):

64 (a) Should any change or error in records result in any member or
65 beneficiary receiving from any retirement system administered by the
66 State Employees Retirement Commission more or less than he would
67 have been entitled to receive had the records been correct, then upon
68 discovery of any such error the Retirement Commission shall notify
69 the member or beneficiary affected and correct the same, and as far as
70 practicable shall adjust the payments in such manner that the actuarial
71 equivalent of the benefit to which such member or beneficiary was
72 correctly entitled shall be paid, provided if such change or error results
73 in any member or beneficiary receiving less than he would have been
74 eligible to receive, such member or beneficiary may elect to have such
75 benefit paid in a single payment.

76 (b) If a member or beneficiary has been overpaid through no fault of
77 his own, and he could not reasonably have been expected to detect the
78 error, the Retirement Commission may waive any repayment which it
79 believes would cause hardship.

80 (c) The Retirement Commission shall adopt regulations in
81 accordance with the provisions of chapter 54 establishing criteria for
82 the waiver of repayment.

83 (d) Upon determination by the State Employees Retirement
84 Commission that a member received an estimate of benefits statement
85 from the commission that contained a material error, the board shall
86 either (1) pay such member the benefits set forth in such estimate, or
87 (2) allow the member to return to such member's previous
88 employment position, if the board determines that such member, in
89 reliance upon such material error, irrevocably submitted (A) his or her
90 resignation to his or her employer, and (B) a formal application of
91 retirement to his or her employer. For purposes of this subsection,
92 "material error" means an error that amounts to a difference of ten per
93 cent or greater between a member's estimated retirement benefits and
94 the actual retirement benefits to which such member is entitled.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	10-183ff
Sec. 2	<i>October 1, 2010</i>	New section
Sec. 3	<i>October 1, 2010</i>	5-156c

Statement of Purpose:

To allow certain individuals who retired based upon a material error in their retirement benefit statements to be compensated for said error or return to their previous employment position.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]